Table 1
NON-EGU ALLOWANCE ALLOCATION OPTIONS
(COMPARISON)

Allowance allocation option	Number of control devices needed	Capital cost (million $)	Number of CEMs needed	Ozone season monitoring cost(million$)	Allowances available for use by Indiana EGUs or sale out-side Indiana (net of allowances available from sources with allowances exceeding their 2007 projected emissions, non-EGU source over control and non-EGUs needing allowances to comply)	cost effectiveness ($/ton)	
Proposed rule language (all units included)	10	32.5	41	2.73	894	1,715	
Proposed rule language (blast furnace gas units excluded)	9	29.98	13	0.86	555	1,335	
Tiered emission rates methodolgy 2 (blast furnace gas units excluded)	10	30.15	13	0.86	228	1,487	
Tiered emission rates methodolgy 1 (all units included)	10	30.15	41	2.73	110	1,776	
Tiered emission rates methodology 1 (blast furnace gas units excluded)	10	30.15	13	0.86	165	1,548	
1. Costs are in 1998 dollars.							
2. Costing procedures in USEPA alternative control techniques (ACT) document for commercial, industrial and institutional boilers, March 1994 were used. This document gave costs in 1992 dollars. Those cost were adjusted to 1998 using an inflation factor equal to 1.114.							
3. Emissions monitoring costs are taken from USEPA NOX SIP Call fiscal impact analysis. Those costs are in 1990 dollars. The costs were adjusted to 1998 using an inflation factor equal to 1.16.							
4. The number of CEMs is a preliminary estimate and may change if alternative monitoring procedures as permissible under the NOX SIP Call rule are used.							
5. The allowance purchase price and the net income from sale of allowance per allowance were assumed to be $2,800 and $2,500 respectively. These values are based on EGU compliance costs.							
6. It was assumed that a source would install control if the cost per ton NOX control (cost effectiveness) is less than the NOX allowance purchase price. Exceptions were if the number of allowances needed to comply were equal to or less than ten (10) or SNCR was a preferred control option for oil/gas fired boilers. In those situations, the source was assumed to buy allowances.							
7. Sources known to have curtailed their operations (Inland #4 AC Station and National Steel) were not included in the cost estimates.							
8. The cost effectiveness shown are for the following sources that may need emissions reductions from their 2007 projected uncontrolled emissions: ALCOA, AMOCO, New Energy, Perry-K and Portside Energy, LTV and Inland (#5 Boilerhouse and #2 AC Station) in some options.							
9. The costs are based on estimated emissions reductions from IDEM 2007 projected uncontrolled emissions estimates.							
10. A control efficiency equal to 50% for low NOX burners and equal to 45% for SNCR was assumed.							